



Schedule of Terminated Entities or Locations Endorsement	113944	5/13	HC0792	O	Provides no coverage to entities or locations after termination date
Schedule of Terminated Entities or Locations with Continued reporting end't Endorsement	113913	5/13	HC0761	O	Provides coverage to entities or locations after termination date
Self Insured Retention end't (Reduces Limits of Insurance)	115618	6/13	HC0841	O	Use when SIR is \$50K or less and erodes Limit. Insureds consent not required and no "hammer" clause
Self Insured Retention end't	113961	5/13	HC0809	H/O	Use when SIR is \$50K or less and does not erode Limit. Insureds consent not required and no "hammer" clause
Self Insured Retention end't (Reduces Limits of Insurance)	115517	6/13	HC0840	O	Use when SIR is greater than \$50K and settlement within our layer does not require First Named Insureds consent to settle. SIR reduces Limits of Insurance
Self Insured Retention end't	113960	5/13	HC0808	H/O	Use when SIR is greater than \$50K and settlement within our layer does not require First Named Insureds consent to settle
Stop Gap - Employer's Liability Coverage - Ohio	113790	3/13	HC0748	O	Provides EL coverage on a primary basis
Employer's Liability StopGap - North Dakota, Washington and Wyoming	113789	3/13	HC0747	O	Provides EL coverage on a primary basis
Terrorism premium	113792	3/13	HC0750	M	Indicates premium for not including a terrorism exclusion
Limited Health Insurance Portability and Accountability Act ("HIPAA") Coverage Extension Endorsement	97062	3/8		M	Provides \$50,000 coverage (option to purchase \$100,000 limit) for defense costs arising from a violation of regulations promulgated by the Department of



					Health and Human Services ("HHS") pursuant to the authority given to HHS under The Health Insurance Portability and Accountability Act ("HIPAA")
Sexual Misconduct Liability Coverage Endorsement	PRG3740	10/14		O	Amends Professional Liability Policy and General Policy Provisions and Conditions to include limited coverage for damages as a result of sexual misconduct and a separate aggregate limit for this coverage will apply to these claims
Reimbursement for Property Damage to Patient's Personal Property Endorsement	PRG 3739	6/14		O	Provides coverage for property damage to a patient's personal property sustained while the patient is in one of insured's scheduled locations
Changes Endorsement	PRG 3738	6/14		M	Provides clarification of definition of employee, deletes arbitration clause and provides anti-stacking language in the General Policy Provisions and Conditions and it amends "Who is an Insured" in the Professional and General Liability policies



Corporate Identity Protection Coverage Extension Endorsement for PL	107966	2/11		O	Provides Corporate Identity Protection ("CIP") on a claims-made basis (defense within the limits) when purchased by insured. The CIP coverage includes Personal Identity Liability, Administrative Action and Identity Reimbursement Coverage. Retro date is to be the date of the first Lexington CIP policy. The limits offered are \$50,000, \$100,000 or \$250,000. A \$500,000 limit is a referral to Company.
AIG Coverage Territory Endorsement (OFAC)				M	
<b>STATE SPECIFIC ENDORSEMENTS</b>					
Alaska Attorney Fees Coverage Notice A	68371	4/7	HC0499		Provides clarification on how plaintiff's attorney's fees will be paid
Alaska Attorney Fees Coverage Notice B	68372	8/7	HC0500		Provides clarification on how plaintiff's attorney's fees will be paid
Alaska Attorney Fees Coverage Notice C	68373	8/7	HC0501		Provides clarification on how plaintiff's attorney's fees will be paid
Alaska Attorney Fees Coverage Notice D	68374	8/7	HC0502		Provides clarification on how plaintiff's attorney's fees will be paid



Arkansas - Occurrence Definition Amendatory Endorsement	110991	3/12			
Arkansas - Addition of Faulty Workmanship Exclusion	110991	3/12			
California Cumis Limitation Endorsement	80783	8/2	HC0340	M	Clarifies what is paid for Cumis Defense.
Colorado - Separate Limits for Colorado Locations	113949	5/13	HC0797	D	Provides separate limits to scheduled locations
Florida - Amendatory Endorsement	76161	Jun-00			
Illinois Amendatory Endorsement	77393	12/00			
Separate Limits Of Insurance Endorsement for Indiana	113951	5/13	HC0799	D	Provides separate limits to scheduled Eligible Insureds
Separate Limits of Insurance For Physicians and/or Other Healthcare Providers in Indiana Endorsement	113952	5/13	HC0800	D	Provides separate limits to scheduled Healthcare Providers
Louisiana Patients Compensation Fund Endorsement	101374	6/10			
Louisiana Patients Compensation Fund Endorsement	81425	1/3			
North Carolina Optional Extended Reporting Coverage	76536	8/1			
Separate Limits of Insurance for Pennsylvania	113953	5/13	HC0801	D	Provides separate limits to scheduled Eligible Insureds
Separate Limits of Insurance for Physicians and/or Other Healthcare Providers in Pennsylvania Endorsement	113946	5/13	HC0794	D	Provides separate limit for scheduled Healthcare Providers with retro dates
Pennsylvania Shared Limit Endorsement	83792	1/4			
South Carolina Amendatory Endorsement Punitive Damage Exclusion	76560	8/1			



Tennessee Amendatory Endorsement Punitive Damage Exclusion	76566	8/1			
Texas Notice	56668	3/13	HC0443	M	Attaches to policy when insured is located in Texas
Texas Guaranty Fund Nonparticipation Notice		8/09	HC0442	M	Attaches to policy when insured is located in Texas
STATE AMENDATORY CANCELLATION NONRENEWAL ENDORSEMENTS STATE SPECIFIC ENDORSEMENTS					
Connecticut	77657	9/12		M	Amends provision in policy to comply with state requirements
Florida	73067	7/10		M	Amends provision in policy to comply with state requirements
Indiana	52143	8/12		M	Amends provision in policy to comply with state requirements
Iowa	52140	6/1		M	Amends provision in policy to comply with state requirements
Maine	52148	11/10		M	Amends provision in policy to comply with state requirements
Missouri	52151	12/10		M	Amends provision in policy to comply with state requirements
Montana	52153	6/12		M	Amends provision in policy to comply with



					state requirements
North Dakota	52155	4/9		M	Amends provision in policy to comply with state requirements
Oklahoma	77579	1/10		M	Amends provision in policy to comply with state requirements
Pennsylvania	80620	8/2		M	Amends provision in policy to comply with state requirements
South Carolina	52167	3/9		M	Amends provision in policy to comply with state requirements
Vermont	52173	6/1		M	Amends provision in policy to comply with state requirements
Virginia	89669	9/13		M	Amends provision in policy to comply with state requirements
Washington	100227	1/11		M	Amends provision in policy to comply with state requirements

### 6.3 EXCESS / UMBRELLA

#### 6.3.1 APPROVED RATES/LOSS COSTS/LOSS COST MULPLIERS – EXCESS / UMBRELLA



## RATES AND PREMIUM CALCULATION

The rates and rating rules in these sections factor into the premium calculation formula in the table below:

### Excess Premium Calculation Formula

Premium Variable	Description
Excess PL/GL Premium – all layers	See below
+ Excess Auto Liability Premium – all layers	See below
+ Excess Incidental Hired & Non-Owned Auto Premium – all layers	See below
+ Excess UM/UIM Premium	See below
= <b>Final Premium</b>	
+ Terrorism Premium	See below

### 6.3.2 APPROVED RATES/LOSS COSTS/LOSS COST MULPLIERS – EXCESS/UMBRELLA

#### First \$1 million excess factors\*

LOB	Hazard	
	Moderate	High
Auto Liability	10%	15%
PL/GL	20%	30%

\* applied to the underlying liability premium.

#### Excess Layer Factors\*\*

##### *Auto Liability and PL/GL*

Layer	Hazard	
	Moderate	High
1M xs 1M	50%	63%
1M xs 2M	25%	31%
1M xs 3M	17%	21%
1M xs 4M	15%	19%
1M xs 5M	13%	16%
1M xs 6M	12%	15%
1M xs 7M	11%	14%
1M xs 8M	10%	13%
1M xs 9M	9%	11%



\*\* applied to the first \$1 million excess liability premium.

Apply the following factor to the PL/GL Excess Liability premium for any layers where Sexual Abuse coverage is not provided (prior to the application of minimum premiums):

Sexual Abuse excluded factor: 0.90

**Minimum Premiums**

Layer	Hazard***	
	Moderate	High
First \$1M	\$1,500	\$2,500
1M xs 1M	\$1,000	\$1,500
1M xs 2M	\$1,000	\$1,500
1M xs 3M	\$1,000	\$1,500
1M xs 4M	\$1,000	\$1,500
1M xs 5M	\$1,000	\$1,500
1M xs 6M	\$1,000	\$1,500
1M xs 7M	\$1,000	\$1,500
1M xs 8M	\$1,000	\$1,500
1M xs 9M	\$1,000	\$1,500

\*\*\* Based on PL/GL Hazard, unless Excess Auto only.

Catastrophe Modification Factor:

Minimum:	0.60
Maximum:	1.40

**6.3.3 APPROVED RULES – EXCESS / UMBRELLA**

1. A maximum Excess limit of \$10,000,000 is available as a single aggregate over all underlying coverages.
2. Requests for higher limits must be referred to the Company.
3. All layer factors must be applied to the Modified Final Primary Premium.
4. Any credits to the excess premium calculation must be referred to the Company.

**6.3.4 HAZARD GROUPS – EXCESS / UMBRELLA**

**Hazard Group assignments:**

*Auto Liability*





<u>Characteristic</u>	<u>Hazard</u>
No Patient/Resident Transportation	Moderate
Patient/Resident Transportation	High

PL/GL

<u>Class</u>	<u>Hazard</u>
Independent Living	Moderate
Assisted Living Facility	High
Skilled Nursing/Nursing Home	High
CCRC	High

6.3.5 APPROVED FORMS – EXCESS / UMBRELLA

<u>Long Term Care</u>					
<u>Excess/Umbrella Policy Forms</u>					
					M = Mandatory O = Optional
<b>FORM</b>					
<b>NAME</b>	<b>#</b>	<b>ED. DATE</b>	<b>ALIAS #</b>	<b>M/O</b>	<b>COMMENT</b>
<b>DECLARATIONS</b>					
Lexington Excess Healthcare	113462	5/14	HC0719	M	One Policy Aggregate
AIG Specialty Excess Healthcare	113739	6/14	HC0729	M	One Policy Aggregate
<b>COVERAGE PARTS</b>					
Lexington - Excess Healthcare Professional Liability and Healthcare Umbrella Liability General Policy Provisions and Conditions	113465	5/14	HC0722	M	Attach to every policy except in Delaware
AIG Specialty - Excess Healthcare Professional Liability and Healthcare Umbrella Liability General Policy Provisions and Conditions	113740	6/14	HC0730	M	Attach to every policy in Delaware
Addendum to the Declarations	78713	5/13		M	Signature page
Healthcare Umbrella Policy - Claims Made	113469	2/13	HC0726	M	Attach to every CM policy



Healthcare Umbrella Policy - Occurrence	113470	2/13	HC0727	M	Attach to every OCC policy
Excess Healthcare Professional Liability - Claims made	113466	2/13	HC0723	O	
Excess Healthcare Professional Liability - Occurrence	113467	2/13	HC0724	O	
Forms Schedule	CI0226				Attach to every policy
Policy Holder Notice	91222	4/13		M	Attach to every policy
Claims Reporting				M	Attach to every policy
Schedule of Underlying Insurance	80158	5/02	HC0339	M	Use to schedule underlying insurance
Schedule of Underlying Insurance (Supplemental)	80158A	7/03	HC0355	O	Use when additional original schedule does not have space
Schedule of Insurance Amendatory Endorsement	108278	2/11	HC0687	O	Changes original schedule
<b>ENDORSEMENTS</b>					
Additional Insured Endorsement	117060	12/13	HC0943	O	Adds Additional Insured to excess PL and/or Umbrella coverage part if obligated by contract to provide insurance
Additional Insureds Endorsement	117865	5/14	HC0987	O	Adds Additional Insureds by schedule to Excess PL and/or Umbrella coverage part
Additional Insured Under Scheduled Underlying Insurance	117061	12/13	HC0944	O	Adds Additional Insureds to policy but only as coverage is applicable in the underlying professional Liability
Additional Insured Lessors of Premises & Lessors of Leased Equipment	117062	12/13	HC0945	O	Adds Lessors of Premises & Lessors of Leased Equipment on a blanket basis
Amendatory Endorsement for Long Term Care Facilities	PRG 3742	6/14		M	Amends General policy provisions definition and amends M & A Section to accommodate 90 days



Amendment to Definition of Covered Auto to Exclude Hired Autos and Non Owned Autos	115365	5/13	HC0822	O	Deletes coverage for Hired Autos and Non-Owned Autos
Auditable Premium Endorsement	113773	3/13	HC0731	O	Shows basis for how premium to be audited
Barber/Beautician and Pastoral Professional Liability Endorsement	117867	5/14	HC0989	O	Provides coverage for services performed by a pastor or barber/beautician under insured's direction at insured's scheduled location
Cancellation of Policy	113774	3/13	HC0732	O	Indicates return premium and cancellation date of policy
Crisis Response Coverage Extension	104382	5/11	HC0648	O	Adds coverage to the policy
Defense Expenses included within and Reducing the Limits of Insurance Endorsement	117065	12/13	HC0948	O	Amends policy to be defense incl. in limit
Deletion Endorsement	113962	5/13	HC0810	O	Deletes a prior issued endorsement
Deletion of Bodily Injury to Patients Coverage Endorsement	115579	6/13	HC0832	O	Deletes Bodily Injury to Patients from Excess PL Coverage Part
Employee Benefits Liability Coverage Endorsement - Claims Made	117194	12/13	HC0972		Provides coverage with limits included under Umbrella and General Policy Provisions and Conditions
Good Samaritan Endorsement	115940	11/13	HC0934	O	Provides coverage for good Samaritan acts under Excess PL Coverage Part
Home Healthcare Services Endorsement	117868	5/14	HC0990	O	Provides coverage of home healthcare services provided at location not listed on Schedule of Locations endorsement
Limits of Insurance Applicable to Multiple Retroactive dates (Dual Aggregates)	115941	11/13	HC0935	O	Show applicable limits when there are multiple retro dates
Limits of Insurance Applicable to Multiple Retroactive dates (Policy Aggregate)	115942	11/13	HC0935	O	Show applicable limits when there are multiple retro dates



Limits of Insurance for Hired autos and Non-Owned Autos	115366	7/13	HC0823	O	Shows sublimit for Hired and Non-Owned Autos and reduces Umbrella limit
Locum Tenens Healthcare Providers Endorsement	117066	12/13	HC066	O	Includes coverage for scheduled locum tenens
Optional Extended Reporting Period with Additional Premiums Determined at Inception	115580	6/13	HC0833	O	Amends Dec page to indicate percentage of ERP at policy inception
Optional Extended Reporting Endorsement - (Reinstatement of Limit)	115583	6/13	HC0836	O	For a specified period of time the ERP limit is reinstated has a separate Umbrella limit
Optional Extended Reporting Endorsement - (Applicable to Insured Individual, Insured Entity or Insured Location) No reinstatement of limit	115581	6/13	HC0834	O	For a specified period of time the ERP has a shared limit
Optional Extended Reporting Endorsement- (No reinstatement of Limit)	115582	6/13	HC0835	O	For a specified period of time the ERP has a shared limit
Penalties Amendatory	113927	5/13	HC0775	O	Deletes reference to punitive, exemplary or multiple damages
Physicians and /or Other Healthcare Providers Endorsement	117139	12/13	HC0967	O	Adds Physicians and/or other health care providers to policy that are on file with us
Policy Aggregate Limit and Aggregate Limits per Location	117208	1/14	HC0977	O	Provides separate limits per location subject to Policy Aggregate
Policy Aggregate Limit and Aggregate Limits per Location	117207	1/14	HC0976	O	Provides separate limits per location subject to Policy Aggregate
Policy Declarations First Named Insured Amendment	113931	5/13	HC0779	O	Amends First Named Insured on Declarations page
Policy Declarations Address Amendment	113929	5/13	HC0777	O	Amends Address on Declarations page
Policy Declarations Policy Period Amendment	113934	5/13	HC0782	O	Amends Policy Period on Declarations Page
Policy Declarations Retroactive Date(s) Amendment	115912	10/13	HC0931	O	Amends retroactive date on Declarations page
Policy Declarations description of Operations Amendment	113930	5/13	HC0778	O	Amends description of operations on Declarations page



Policy Declarations Limits of Insurance Amendment (Single Aggregate)	115911	10/13	HC0930	O	Amends Limits on Declarations page (One policy aggregate)
Policy Declarations Limits of Insurance Amendment (Dual Aggregate)	115910	10/13	HC0929	O	Amends Limits on Declarations page (Two towers)
Policy Declarations Premium Amendment	113935	5/13	HC0783	O	Amends premium on Declarations page
Policy Declarations Forms and Endorsements Amendment	113932	5/13	HC0780	O	Amends Forms and Endorsements on Declarations page
Policy Declarations Producer Name and Address Amendment	113936	5/13	HC0784	O	Amends producer and address on Declarations page
Residents Rights Amendatory Endorsement	117869	5/14	HC0991	O	Amends policy to address residents rights
Schedule of Divested Locations	113783	3/13	HC0741		Coverage included for occurrences/medical incidents after retro date and prior to divesture date
Schedule of Excluded Entities	113784	3/13	HC0742	O	No coverage for scheduled entities
Schedule of Terminated Entities or Locations	113913	5/13	HC0761	O	Provides no coverage to entities or locations after termination date
Schedule of Terminated Entities or Locations with Continued Reporting	113944	5/13	HC0792	O	Provides coverage to scheduled Entity or location after retro date and prior to termination
Schedule of Excluded Individuals	113785	3/13	HC0743	O	Excludes from coverage all listed individuals
Schedule of Excluded Services	117140	12/13	HC0968	O	Excludes coverage for listed services
Schedule of Locations	117068	12/13	HC0964	O	GL and PL coverage only provided to scheduled locations
Changes to Schedule of Locations	117063	12/13	HC0946	O	Amends Schedule of locations
Schedule of Named Insureds	113941	5/13	HC0789	O	Schedules all Named Insureds
Changes to the Schedule of Named Insureds	113908	5/13	HC0756	O	Amends Named Insured schedule



Schedule of Physicians and /or Other Healthcare Providers	117069	12/13	HC0965	O	Adds coverage for either employed or contracted H/C providers but only for those scheduled. This is preferred end't unless schedule is too long
Schedule of Physicians and/or Other Healthcare Providers Terminated with Continued Reporting Endorsement	117070	12/13	HC0953	O	Provides coverage to scheduled employed or contracted physicians after retro date and prior to termination date as long as end't remains on policy and we still provide coverage to Insured
Schedule of Terminated Physicians and/or Other Healthcare Providers	113945	5/13	HC0793	O	Provides coverage to scheduled physicians and/or Other healthcare providers prior to termination date with no continued reporting
Subcontractors or Procurement organization Exclusion	113791	3/13/	HC0749	O	Excludes coverage for subcontractors or procurement organizations providing organ, tissue or body parts. Add to all Organ and/or Tissue banks
Terrorism premium	113792	3/13/	HC0750	M	Indicates premium for not including a terrorism exclusion
Uninsured/Underinsured Motorist Coverage - Florida/Louisiana/New Hampshire/Vermont/West Virginia	115970	11/13	HC0921	O	Adds coverage when required
Sexual Misconduct Liability Coverage	PRG 3745	10/14		O	Amends Excess Healthcare Professional Liability Policy and Healthcare Umbrella Liability General Policy Provisions and Conditions to include limited coverage for damages as a result of sexual misconduct and a separate aggregate limit for this coverage will apply to these claims



STATE SPECIFIC ENDORSEMENTS					
Indiana Amendatory Endorsement (Definition of Pollution)	115714	11/13	HC0958	D	Amends Pollution Exclusion
Indiana Excess Healthcare Professional Liability Endorsement	117196	12/13	HC0974	O	Requires proper enrollment in the Indiana PCF for coverage to apply
Louisiana Patients Compensation Fund	117197	12/13	HC0975	O	Warrants all healthcare providers are enrolled and policy is excess of Patient Compensation Fund limits
Excess Coverage Amendment - Section 605 Claims (Pa)	117195	12/13	HC0973	O	If Mcare shall be required to drop down because of Section 605 of the Health Care Service Malpractice Act, we will also drop down in accordance with the Act
Texas Notice	56668	3/13	HC0443	M	Attach to policy when broker responsible for E&S filing
Texas Guaranty Fund Nonparticipation Notice		8/09	HC0442	M	Attach to policy when Texas office issues policy and responsible for E&S filing

#### 6.4 SURPLUS LINES FORMS – MANDATORY USE

Surplus lines policies must contain a “Service of Suit” clause, either built into the policy form or added by endorsement. Many proprietary products that have been developed by the Company for surplus lines use will have this clause built in. When ISO-type forms or products/forms that had been previously developed for admitted use are being used on a surplus lines basis, the clause may not be incorporated and will require to have it added by endorsement, as follows:

**Lexington Insurance Company** – Service of Suit Endorsement – 61902 (7/09)



**AIG Specialty Insurance Company** – Service of Suit Endorsement - 58426 (11/09)

The following states require the following Policy Notices be issued as part of the surplus lines policy:

**Alaska** – Alaska Policyholder Notice – {no assigned form number/edition date}

**Florida** – Florida Policyholder Notice – Addendum to the Declarations – 101762 (6/09)

**Texas** – Texas Notice (Surplus Lines) – 56668 (3/13)

## 6.5 EQUIPMENT BREAKDOWN

### General Statements Regarding Eligibility

- Eligible Occupancy: Assisting Living Facilities, Continued Care Residencies, Nursing Homes, Independent Living and other Home Health Services

**If a risk meets any one of the following criteria, it must be referred to the Program Manager for an equipment breakdown quotation. If one "Location" is a referral then the entire policy becomes a referral policy.**

- Any policy that has a "Location" with a "TIV" greater than \$25,000,000
- Any policy that has Total Insured Values greater than \$75,000,000
- Any policy with an Equipment Breakdown limit or sublimit that exceeds \$100,000 as respects the following coverages:
  - Perishable Goods/Spoilage
  - Data Restoration
  - Expediting Expense
  - Hazardous Substances
  - Off Premises Property Damage
  - Dependent Properties
  - Computer Equipment
  - Service Interruption
- Any policy with an Equipment Breakdown limit or sublimit that exceeds the following as respects Newly Acquired Premises coverages:
  - \$1,000,000 Building
  - \$1,000,000 Business Personal Property
  - 180 days
- Any policy that includes any one of the following coverage forms, but only if equipment breakdown coverage under said form is to be insured:
  - Any Inland Marine Form
  - Any Equipment Floater or Contractors Installation Floater
- Any policy with two or more covered equipment breakdown losses within the last 24 months





- Any policy with a covered equipment breakdown loss greater than \$25,000
- Any policy that has a "Location" with a total power generating capacity greater than 250 kilowatts based on the nameplate rating of the equipment. This includes solar, wind, and any other method of generating power. This does not include equipment intended to generate electricity solely on an "emergency basis".
- Any policy that has a "Location" outside the United States

**Deductibles:**

The Equipment Breakdown deductibles for Property Damage and Business Income follow the Property Policy Property Damage Deductible and Business Income Deductible, subject to a \$1,000 minimum.

**Rates:**

.007 Per \$100 of TIV

The rates herein are annual rates and may be pro-rated for in-term transactions or odd-term policies.

**Definitions:**

- "TIV" is Total Insured Value and is defined as 100% Building Value, 100% Business Personal Property (excluding stock) Value and 100% Business Income Value.
- "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.